

FEB 2 8 2005

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

In the Matter of:

THE 2002 INTEGRATED RESOURCE PLANNING)	
REPORT OF KENTUCKY POWER COMPANY)	CASE NO.
D/B/A AMERICAN ELECTRIC POWER TO THE)	2002-00377
KENTUCKY PUBLIC SERVICE COMMISSION	j	

Joint Motion to Dismiss Proceeding

Kentucky Power Company, Kentucky Industrial Utility Customers, Inc., the
Office of the Attorney General, Office of Rate Intervention and the Division of Energy
move the Commission to dismiss this proceeding in light of the following developments
since Kentucky Power filed its Integrated Resource Plan on November 15, 2002:

- 1. The Integrated Resource Plan is premised upon the assumption that the Unit Power Supply Agreement between Kentucky Power AEP Generating Company for 195 MW of Rockport Unit No. 1 and 195 MW of Rockport Unit No. 2 ("Rockport UPSA") would expire on December 31, 2004. By agreement dated October 20, 2004 and approved by the Commission on December 13, 2004 the Rockport UPSA was extended to December 7, 2022.
- 2. The Integrated Resource Plan anticipated the consummation of a corporate separation plan under which the generating resources of Ohio Power Company and Columbus and Southern Company would no longer be available to Kentucky Power under the American Electric Power Pool Agreement. The corporate separation was not consummated.

- 3. The Integrated Resources Plan projected increased reliance by Kentucky Power upon market purchases of energy and in response to the expected expiration of the Rockport UPSA between Kentucky Power AEP Generating Company and the reduction of the number of members of the AEP Pool Agreement as a result of the corporate separation plan. As explained above, neither reason for the anticipated increased reliance upon market purchases occurred.
- 4. As part the October 20, 2004 settlement that led to the extension of Unit Power Supply Agreement between Kentucky Power AEP Generating Company for 195 MW of Rockport Unit No. 1 and 195 MW of Rockport Unit No. 2 until December 7, 2022. Kentucky Power, the Attorney General and KIUC (but not the Division of Energy) agreed that, with certain exceptions requiring notification and possible earlier filing, Kentucky Power would file its next Integrated Resource Plan no later than June 30, 2009. Kentucky Power, the Attorney General and KIUC believe that implicit in the agreement as to the filing date of Kentucky Power's next Integrated Resource Plan was the understanding that this proceeding should be dismissed. The 2009 IRP will reflect the resources available to Kentucky Power both as a stand-alone company and as a member of the then-anticipated pool arrangement.

Wherefore, Kentucky Power Company, Kentucky Industrial Utility Customers,

Inc., the Office of the Attorney General, Office of Rate Intervention and the Division of

Energy respectfully request the Commission to dismiss this proceeding.

Respectfully Submitted,

Judith A. Villines

Mark R. Overstreet

STITES & HARBISON PLLC

421 West Main Street

P.O. Box 634

Frankfort, Kentucky 40602-0634

Telephone: (502) 223-3477

Michael L. Kurtz David F. Boehm

Boehm, Kurtz & Lowry

2110 CBLD Center

36 East Seventh Street

Cincinnati, Ohio 45202

Iris G. Skidmore

Offices of Legal Services

#2 Hudson Hollow Road

Frankfort, Kentucky 40601

Elizabeth E. Blackford

Assistant Attorney General

Office of Rate Intervention

1024 Capital Center Drive

Frankfort, Kentucky 40601

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was by United States Postal Service, First Class mail, postage prepaid, upon:

Elizabeth E. Blackford Assistant Attorney General Office of Rate Intervention Suite 200 1024 Capital Center Drive Frankfort, Kentucky 40601

Richard G. Raff
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

(By Hand Delivery)

on this the Aday of February, 2005.

David F. Boehm Michael L. Kurtz Boehm, Kurtz & Lowry 2110 CBLD Center 36 East Seventh Street Cincinnati, Ohio 45202

Iris G. Skidmore Offices of Legal Services #2 Hudson Hollow Road Frankfort, Kentucky 40601

Mark R. Overstreet

KE057:KE142:12108:2:FRANKFORT